



## **LABOR HOUR SUBCONTRACT**

Subcontract No. Specimen

### **BETWEEN**

CALIFORNIA INSTITUTE OF TECHNOLOGY  
JET PROPULSION LABORATORY  
(The "Institute" or "JPL")  
4800 OAK GROVE DRIVE  
PASADENA, CALIFORNIA 91109-8099

### **AND**

{Selected Vendor}

THIS SUBCONTRACT FOR  
RELIABILITY ENGINEERING SUPPORT SERVICES (RESS)  
IS A  
SUBCONTRACT UNDER JPL's NASA PRIME SUBCONTRACT

TASK ORDER NO. Various

A DO - C9 Rating is assigned to this Subcontract under DMS Regulation 1

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The following documents are incorporated into and made a material part of this Subcontract.

GENERAL PROVISIONS: Labor-Hour/Time-and-Material Subcontract R 8/03

- JPL 1725, “Minimum Timekeeping Requirements for Labor-Hour Type Procurements to be Performed at Off-Lab Facilities” R 8/98
- JPL 1737, “Release of Information” R 9/99
- JPL 1943, “Affiliate Access Report” R 8/98
- JPL 2385, “Notification to Prospective Subcontractors of JPL's Ethics Policies and Anti-Kickback Hotline” R 7/91
- JPL 2892, “Certifications” R 8/01
- JPL 2895, “Asbestos Notification” R 9/98
- Notice of Potential Tax Withholding R 7/03

ADDITIONAL GENERAL PROVISIONS (AGPs)

Continuity of Services R 4/99

Drug and Alcohol Free Workforce R 4/99

Filing of Patent Applications - Classified Subject Matter R 4/99

Patent Rights – Retention By The Contractor (short form) – 4/99

Safety And Health R 4/00

Security Requirements R 4/99

Security Requirements for Unclassified Automated Information Resources and Access to JPL’s  
Controlled Facilities R 12/01

PREAMBLE

This Subcontract, entered into on \_\_\_\_\_ by and between the CALIFORNIA INSTITUTE OF TECHNOLOGY (hereinafter called the "Institute" or "JPL"), a corporation organized and existing under the laws of the State of California, and {selected vendor} (hereinafter called the "Subcontractor"), a corporation organized and existing under the laws of the State of {Type State of Incorporation here} and constituting a Subcontract under prime Subcontract with NASA;

WITNESSETH THAT:

The Subcontractor agrees to furnish and deliver the supplies and perform the services set forth in this Subcontract for the consideration stated herein.

**Schedule****ARTICLE 1. STATEMENT OF WORK AND DELIVERY INSTRUCTIONS****1.0 STATEMENT OF WORK**

- 1.1 The Subcontractor shall provide technical, engineering, database and scientific support services at the Subcontractor's facility, with periodic support and interface at JPL's Oak Grove Drive facility, and JPL-controlled facilities, in the areas of, but not limited to: reliability, dynamics/thermal environments, natural space environments, electromagnetic compatibility (EMC), problem failure reporting, probabilistic risk assessment, product assurance and quality assurance as directed by JPL. In performance of these services the Subcontractor shall:
  - 1.1.1 Perform reliability analyses, worst case analyses, failure mode and effects criticality analyses, parts stress analyses; provide reliability, availability and maintainability (RAM) support; prepare reliability documentation and presentations and review problem failure reports in support of JPL Projects.
  - 1.1.2 Process and maintain problem/failure accountability (PFA) and test status documentation
  - 1.1.3 Determine and evaluate flight/launch thermal environments. Specify and control environmental design and test requirements in support of JPL Projects.
  - 1.1.4 Determine and evaluate natural space environments. Specify environmental design requirements in support of JPL Projects.
  - 1.1.5 Determine and specify electromagnetic compatibility (EMC), environmental design, and test requirements. Perform circuit and electromagnetic field analysis, prepare plans and procedures, and perform EMC and magnetic testing for JPL projects.
  - 1.1.6 Determine and specify vibration, acoustic and shock environments and design and test criteria for spacecraft and ground transportation systems and equipment.
  - 1.1.7 Assist JPL in the development of Probabilistic Risk Assessment (PRA) guidelines and requirements for JPL projects and by performing PRAs.
  - 1.1.8 Support quality assurance requirements to flight projects

and perform quality inspections and certifications to space flight hardware.

- 1.1.9 Support to information systems and maintaining database requirements including technical analysis and documenting flight project assurance experience and knowledge.

1.2 In performing the above, the Subcontractor shall:

- 1.2.1 Provide qualified personnel in accordance with Exhibit 1 entitled, "JOB CLASSIFICATION AND QUALIFICATION GUIDELINES FOR SUBCONTRACTOR PERSONNEL," which is attached hereto and made a part of this Subcontract. Provide recruiting and Subcontractor personnel in accordance with the negotiated staffing plan and authorized by the initial Subcontract Work Orders (SWO's) on the date of this Subcontract. Subsequent staffing to add or reduce technical staff within ten (10) working days from the date of the SWO, or such longer period as otherwise specified therein.
- 1.2.2 Perform tasks within the scope of this Subcontract that are defined in JPL-issued, unilateral SWO's in accordance with Exhibit 4 entitled, "SUBCONTRACT WORK ORDER PROCEDURE (Labor Hour Subcontract)," which is attached hereto and made a part of this Subcontract.
- 1.2.3 Designate an Operations Manager who will be responsible for oversight of the following areas:
  - 1.2.3.1 All technical tasks and administrative matters for Subcontractor personnel performing work under this Subcontract, along with the authority to acknowledge receipt of SWO's on behalf of the Subcontractor.
  - 1.2.3.2 Documenting and delivering the documents and reports as specified in paragraphs 1.3, 1.4 and 1.5 to the JPL representative specified below.
- 1.2.4 Provide a facility with all necessary equipment and supplies in accordance with the requirements set forth in ARTICLE 5, SPECIAL PROVISIONS.

- 1.3 The Subcontractor shall provide the following documents and support to the JPL Contract Technical Manager:
  - 1.3.1 Analyses and documentation reporting the results of the analyses to the items in Article 1.1
  - 1.3.2 Attend JPL technical meetings, as appropriate, to complete the above support.
  - 1.3.3 Weekly email reports summarizing the progress of the above tasks.
- 1.4 The Subcontractor shall furnish the following documents to the JPL Contract Technical Manager:
  - 1.4.1 For each Subcontractor employee, submit a SUBCONTRACTOR REVENUE CARD as shown in Exhibit 3, which is attached hereto and made a part of this Subcontract.
  - 1.4.2 NOTIFICATION OF PROPOSED CHANGES. Written notification of proposed changes to basic salaries of Subcontractor personnel during this period of performance shall be provided to the Contract Technical Manager.
- 1.5 The Subcontractor shall furnish reproducible, legible print copies of the following documents shown in the indicated Exhibits to the Subcontracts Manager with a copy to the JPL Contract Technical Manager:
  - 1.5.1 MONTHLY STATUS AND COST REPORT SUMMARY, Form JPL 3645 R 1/85. (Exhibit 9)
  - 1.5.2 MONTHLY STATUS AND COST REPORT, Form JPL 3645-1 R 8/83. (Exhibit 10)
  - 1.5.3 RECONCILIATION PLAN (Exhibit 11)
  - 1.5.4 A copy of the NOTIFICATION OF PROPOSED CHANGES, as required per 1.4.2 above.
- 1.6 The following exhibits are hereby incorporated into and made a material part of the Subcontract:
  - 1.6.1 Exhibit 1, "JOB CLASSIFICATION AND QUALIFICATION GUIDELINES FOR SUBCONTRACTOR PERSONNEL," dated March 24, 2004.

- 1.6.2 Exhibit 2, "RESS CONTRACT WORKFORCE REQUIREMENTS TABLE: FY05-FY9," dated April 28, 2004.
- 1.6.3 Exhibit 2A, "RESS CONTRACT JOB TITLE BREAKDOWN BY DISCIPLINE; REQUIREMENTS FOR FY05-FY9,"
- 1.6.4 Exhibit 3, "SUBCONTRACTOR REVENUE CARD," dated May 12, 2004.
- 1.6.5 Exhibit 4, "SUBCONTRACT WORK ORDER PROCEDURE (labor-Hour/T&M Subcontract)" dated May 3, 2004; SUBCONTRACT WORK ORDER (Labor-Hour Subcontract) Form JPL 1513 R 1/02.
- 1.6.6 Exhibit 5, "SUBCONTRACT STATUS AND COST REPORTING", dated February 19, 1999.
- 1.6.7 Exhibit 6, "JET PROPULSION LABORATORY - FIVE-YEAR FISCAL CALENDAR, last up-dated January 6, 2004.
- 1.6.8 Exhibit 7, "SUBCONTRACTOR SUPPLIED PROPERTY AT THE FACILITY", dated May 13, 2004.
- 1.6.9 Exhibit 8, "AFFILIATE ACCESS REQUEST", Form JPL 1943 2/00.
- 1.6.10 Exhibit 9, "MONTHLY STATUS AND COST REPORT SUMMARY," Form JPL 3645 R 1/85.
- 1.6.11 Exhibit 10, "MONTHLY STATUS AND COST REPORT," Form JPL 3645-1 R 8/83.
- 1.6.12 Exhibit 11, "INVOICING & RECONCILIATION PLAN," dated May 13, 2004.
- 1.6.13 Exhibit 12, "DIRECT LABOR RATE RANGES, INDIRECT EXPENSE RATES AND FIXED HOURLY PROFIT," to be finalized August 2004.
- 1.6.14 Exhibit 13, "CONTRACTOR PERSONNEL TRAVEL, SUBSISTENCE AND PER DIEM (or Subcontracting company Travel policy), JPL form 1168 – Travel Request and Authorization, JPL form 1169 – Travel Report and JPL form 1170 – Mileage Voucher.
- 1.6.15 Exhibit 14, "JPL SHIPPING-RECEIVING MEMORANDUM," form 0351
- 1.6.16 Exhibit 15, "CONTRACTOR PERSONNEL TRAINING TRACKING FORM (CPTT)," dated

10/30/99.

- 1.6.17 Exhibit 16, "SOLICITATION, PLACEMENT, AND SEPARATION PROCESS, Attach A – Solicitation Summary Sheet, Copy of 2190 Affiliate Start/Separation Notice, Contractor Personnel Access Request."
- 1.6.18 Exhibit 17, "JET PROPULSION LABORATORY PARKING AND TRAFFIC REGULATIONS FOR CONTRACTS PERFORMED AT JET PROPULSION LABORATORY..."
- 1.6.19 Exhibit 18, "CONTRACTOR FACILITY NETWORK INTERFACE SPECIFICATION."
- 1.6.20 Exhibit 19, "JPL INFORMATION TECHNOLOGY SECURITY REQUIREMENTS FOR COMPUTER SYSTEMS."
- 1.6.21 Exhibit 20, "CONTRACT LABOR ELECTRONIC INVOICING (CLEI) PROCESS AND SAMPLE TEMPLATE."
- 1.6.22 Exhibit 21, "STANDARDS OF CONDUCT AND PROCEDURES FOR HANDLING CONTRACTOR PERSONNEL PROBLEMS, DISCIPLINE, AND SEPARATION FORM 4412."



|       |  |  |
|-------|--|--|
| 2.0   | Delivery Requirements  | On or Before                                       |
| 2.1   | Except as otherwise provided in this Subcontract, the point of inspection, acceptance and all deliverables under this Subcontract, shall be the Jet Propulsion Laboratory, 4800 Oak Grove Drive, Pasadena, California 91109.   |  |
| 2.2   | The Subcontractor shall furnish and deliver the supplies and perform the services required by ARTICLE 1, STATEMENT OF WORK, in accordance with the following schedule:   |  |
| 2.2.1 | <i>The term of this Subcontract shall commence as of the date of this Subcontract and shall continue through September 30, 2005</i> or until the date of work completion or cancellation of the effort being accomplished under any SWO the outstanding, whichever is later. However, in no event shall JPL issue <i>any SWO issued after September 30, 2005</i> unless JPL chooses to exercise further Options to extend the Subcontract. |  |
| 2.2.2 | Provide a fully operational facility including personnel, office equipment, and computer resources and software as specified in ARTICLE 1, STATEMENT OF WORK, paragraph 1.2.4. and Exhibit 7, "Subcontractor Supplied Property..."   | Start date of Subcontract.                         |
| 2.2.3 | Provide the name of the Operations Manager and as specified in ARTICLE 1, STATEMENT OF WORK, paragraph 1.2.3.  | Start date of Subcontract.                         |
| 2.2.4 | Provide the weekly SUBCONTRACTOR REVENUE CARD as specified in ARTICLE 1, STATEMENT OF WORK, paragraph 1.4.1  | Each Monday, for the previous week being reported. |
| 2.2.5 | Provide NOTIFICATION OF PROPOSED CHANGES as specified in ARTICLE 1, STATEMENT OF WORK, paragraph 1.4.2   | One (1) week prior to change.                      |
| 2.2.6 | Provide the MONTHLY STATUS AND COST REPORT SUMMARY as specified in ARTICLE 1, STATEMENT OF WORK, paragraph 1.5.1   |  |
| 2.3   | The Subcontractor shall furnish the Subcontracts Manager the annual and final reports of subject inventions described in the Article entitled "Patent Rights - Retention by the Subcontractor (Short Form)." Copies of transmittal letters for those reports shall be sent to the Property Office (IPO) and to the Contract  |  |

Technical manager (CTM).

- 2.4 Except as otherwise provided in this Subcontract, the place of performance under this Subcontract shall be the Jet Propulsion Laboratory, 4800 Oak Grove Drive, Pasadena, California 91109. Change address if work is not performed at JPL.
  - 2.5 Time is of the essence in the performance of this Subcontract
- 3.0 JPL will:
- 3.1 Furnish all necessary supplies, equipment (except for personal protective equipment specified in Article 3, paragraph 14.1 of this Subcontract) and facilities for the performance of this effort by the Subcontractor personnel when they are assigned to JPL controlled facilities or other facilities designated by JPL.
  - 3.2 Solicit Subcontractor for personnel resumes.
  - 3.3 Issue unilateral SWOs (see Attachment to Exhibit No. 4) to the Subcontractor. Each SWO will contain as a minimum the name of the Subcontractor personnel that JPL authorizes to work on this Subcontract, job title, labor classification and level if applicable, work assignment, direct labor rate, billing rate, maximum overtime, and any other information required by JPL.
  - 3.4 Provide on-site Subcontractor personnel with a JPL safety briefing.
  - 3.5 Notify the Subcontractor on a weekly basis of all open solicitations.
  - 3.6 Provide specialized equipment, computer hardware and computer software, as explicitly approved by JPL in Shipping-Receiving Memorandum, JPL Form 0351 R 6/91, attached as Exhibit No. 14. JPL will transport to, install, and maintain GFE at the Subcontractor's facility.
  - 3.7 Issue Subcontract Work Authorizations by electronic means to provide Project/Task information to the Subcontractor.
  - 3.8 Provide the training that is required to meet JPL-unique standards of qualification or to apply JPL-specific methods of performance.

## ARTICLE 3. CEILING PRICE, RATES AND REIMBURSEMENT

- 1.0 The ceiling price (authorized expenditure) hereunder is the sum of all the individual SWO estimated costs for the term of the Subcontract, which is contemplated to be \$2,800,000.00. Estimated ceiling prices will be calculated for each SWO, and payment shall only be made for work initiated by SWOs as defined in Article 1.
- 2.0 Subject to the provisions of the Article of this Subcontract entitled "Timekeeping and Payments," the Institute shall pay the Subcontractor for each hour of work directly performed for JPL at the rate or rates listed in the applicable SWO. The rate or rates applicable to each SWO shall be as agreed upon by the Subcontractor and JPL; provided that the portions of such rate or rates attributable to direct labor rates shall be within the labor classification rate ranges set forth in Exhibit No.12, entitled "Direct Labor Rate Ranges, Indirect Expense Rates and Fixed Hourly Profit," to be finalized August 2004, and further provided that the charges for indirect expenses and profit shall be as set forth in Exhibit No.12. Except as otherwise specifically provided for in this Subcontract, these rates include any and all direct cost, burden, overhead, general and administrative expense, and profit chargeable by the Subcontractor to the Institute under this Subcontract.
- 3.0 An equitable adjustment to the Exhibit 12 Subcontractor on-site indirect expense rates only may be requested and negotiated by either party, if after six consecutive months the number of personnel working at the Subcontractor's facility is outside of the range of ten through thirty persons (excluding Subcontractor indirect-charge staff). JPL assumes no liability if the Subcontractor has no direct-charge personnel working at the Subcontractor's facility.
- 4.0 JPL reserves the right to Subcontract for the services of a particular individual when the rates provided in Exhibit No. 12 are exceeded. The indirect expense rate and fixed hourly profit in these situations shall not exceed any indirect expense rate and fixed hourly profit for the individual's classification as indicated in Exhibit No. 12.
- 5.0 The Subcontractor shall submit a written request to the cognizant JPL Subcontract Manager (as for a yearly merit increase) to adjust a billable hourly rate for labor. If approved by JPL a supplement to the SWO will be issued. Generally, JPL will not approve billable rate changes within less than one year from the last change or the establishment of the initial rate.
- 6.0 Subcontractor personnel assigned to JPL will normally not be required or permitted to work on the days observed as holidays by JPL unless authorized by JPL.
- 7.0 The Subcontractor shall not be reimbursed for any hours worked beyond what JPL authorizes on the SWOs. The Subcontractor shall be responsible for any such unauthorized time worked by their personnel.
- 8.0 Overtime
  - 8.1 Subcontractor personnel shall be reimbursed for overtime in accordance with applicable State/Federal regulations.
  - 8.2 JPL shall only reimburse the Subcontractor at the employee straight time rates unless pursuant to applicable State or Federal Law(s), Regulation(s) or Wage

Order(s) (including, but not limited to the Service Subcontract Act, the Fair Labor Standards Act and California IWC Wage Orders) the Subcontractor is required to pay its employee(s) at higher (time-and-one-half or double time) rates. Additionally, JPL reimbursement of the Subcontractor for any such overtime remains strictly subject to the limits stated in paragraphs 8.3 - 8.5, below. Nothing in this paragraph 8.2 or in paragraphs 8.3 - 8.5 below, is intended to change the Subcontractor's obligations to pay its personnel overtime under paragraph 8.1, above, and State and Federal Laws, Regulations and Wage Orders.

- 8.3 Only overtime authorized by JPL in either an initial or supplemental SWO is payable by JPL.
- 8.4 Only time actually worked on this Subcontract shall be considered as time worked for computing overtime reimbursable by JPL.
- 8.5 Profit dollars reimbursable for overtime work shall not exceed the profit dollars reimbursable for straight time work.
- 8.6 The same fixed hourly mark-ups will be paid per hour regardless of whether the hour worked is straight time, time and one half, or double time. Only the labor rate will vary.
- 9.0 Pay changes due to shift differentials, by the same Subcontractor person, are not allowed.
- 10.0 The minimum amount payable to the Subcontractor by the Institute under this Subcontract is \$1,000.00
- 11.0 No materials or other tangible personal property are being purchased by JPL under this Subcontract and none are authorized to be delivered hereunder unless authorized by JPL in a SWO in accordance with paragraph 14.0, Advanced Understandings for Other Direct Cost.
- 12.0 For Subcontractor personnel both working on Lab and residing in JPL space and not working on Lab or residing in JPL office space, the Subcontractor shall submit electronic invoices for all labor hours worked, to the attention of the JPL Accounting Section at the JPL internet web site developed for the Subcontractor. Invoices shall be submitted by 3:00 P.M. Tuesday (Pacific Time) following the end of the week in which the costs were incurred, shall conform to a JPL Excel electronic template attached in Exhibit No.20 entitled, "Subcontract Labor Electronic Invoicing (CLEI) Process," and shall specify the Subcontract number, SWO number, Subcontractor personnel name and job title, hours expended along with the appropriate billing rate, overtime, JPL project/task number, and such other detail as may be required by JPL. Paper invoices shall be submitted specifying any other direct costs incurred that are allowable under this Subcontract along with supporting documentation.
- 12.1 Each trip authorized by JPL shall be invoiced separately (i.e. one trip per invoice per person) and shall include all expenses and supporting documentation related to that trip as required by Exhibit 13 entitled, "Contractor Personnel Travel, Subsistence and Per Diem (or Subcontracting company policy)," dated 8/03.

- 12.2 Discrepancies in billing detected by JPL as the result of errors in timekeeping or billing shall be resolved by the Subcontractor within 30 days after notification from JPL.
  - 12.3 All invoices and payments must be reconciled on a monthly basis as per Exhibit 11, "INVOICING & RECONCILIATION PLAN," dated May 13, 2004.
- 13.0
- 13.1 Detailed billing instructions, including a sample "Billing Instructions Letter", line-by-line Subcontract billing instructions, and a sample invoice that will ensure the correct processing of your invoices can be found at the following link:  
[http://acquisition.jpl.nasa.gov/pdf/lh\\_billing.pdf](http://acquisition.jpl.nasa.gov/pdf/lh_billing.pdf)
- 14.0 Advanced Understandings for Other Direct Costs
- 14.1 For the purposes of this subcontract for Reliability Engineering Support Services performed primarily at the subcontractor facility, JPL has not identified any allowable and auditable actual direct costs. Should any such costs be identified and agreed upon between JPL and the subcontractor, the Subcontractor shall be reimbursed by JPL for those allowable and auditable actual direct costs. Such costs must be authorized by JPL in the initial SWO or through issuance of a Supplemental SWO. Original paid receipts are required for all items prior to reimbursement by JPL. The Subcontractor shall maintain sufficient records to properly reflect all costs claimed to have been incurred and paid for the subject costs in performing this Subcontract. JPL shall have the right to examine and audit the Subcontractor's records and accounting procedures and practices.
  - 14.2 The Subcontractor shall be reimbursed as a direct cost by JPL for any specialized training that is required to meet special JPL standards of qualification or to apply JPL specific methods of performance or to otherwise accomplish the specific JPL work assignment in an efficient manner, if explicitly approved in a SWO or Supplemental SWO
  - 14.3 Contractor Personnel Travel, Subsistence and Per Diem
    - 14.3.1 The Subcontractor shall be reimbursed for authorized travel, subsistence and per diem in accordance with Exhibit No. 13, entitled "CONTRACTOR PERSONNEL TRAVEL, SUBSISTENCE AND PER DIEM," or subcontracting company Travel Policy, subject to the limitations of Federal Acquisition Regulation (FAR) 31.205-46.
    - 14.3.2 Upon request JPL will provide a written request that Subcontractor personnel be given the lodging rates extended to cost-reimbursable Subcontractors. (See "Federal Travel Directory," Government Printing Office Publication 722-006-00000-3.) However, non-availability of lodging at such rates is not authorization for reimbursement of travel costs in excess of the normal rates allowed pursuant to FAR 31.205-46, unless reimbursement on the "Higher Actual Cost Method" has been approved in accordance with FAR 31.205-46(a)(3).

- 14.3.3 All travel shall be authorized by JPL on a "Contractor Employee Travel Request and Authorization" form 1168-S, before the travel is performed. The Subcontractor shall provide, with any invoice for travel, a copy of the "Contractor Employee Travel Request and Authorization" and a copy of the Subcontractor person's travel report. Payment of travel costs based on the "Higher Actual Cost Method" requires that a copy of the written justification, as required by FAR, approved by an officer of the Subcontractor's organization or designee, be provided with any invoice of such travel.
- 14.3.4 The Subcontractor shall be responsible for briefing all Subcontractor personnel who are required to travel in connection with this Subcontract on the terms of the travel exhibit, and agrees to provide all Subcontractor personnel with a copy of the travel exhibit.
- 14.3.5 The following travel-time-related rules shall govern payment to the Subcontractor for travel time of the nonexempt Subcontractor personnel while performing work in connection with this Subcontract. The terms nonexempt and exempt as used in the context of this Subcontract shall be as defined by the Subcontractor in a manner consistent with State/Federal regulations
- 14.3.5.1 Travel time does not include time spent traveling to and from Subcontractor personnel's regularly assigned workstation.
- 14.3.5.2 Travel time does not include time after Subcontractor personnel have reached an interim destination, where lodging is required, of any segment of a longer trip.
- 14.3.5.3 Travel time is reimbursable in accordance with the rates set forth in the SWO for Subcontractor personnel and will be subject to all overtime requirements and restrictions.
- 14.3.5.4 Travel time shall to the maximum extent possible be scheduled during normal working hours. The Subcontractor shall be reimbursed for the travel time of nonexempt Subcontractor personnel; however, reimbursement for time worked and/or travel time for exempt Subcontractor personnel shall be limited to regularly scheduled work days and shall not exceed a total of eight (8) hours during any twenty-four (24) hour period unless otherwise approved by the JPL designated representative.

**USE THE FOLLOWING PARAGRAPHS IF THE SUBCONTRACTOR'S POLICY IS USED.**

- 14.4 JPL will reimburse the Subcontractor for allowable travel expenses incurred by the Subcontractor's employees in connection with travel in the performance of work under this Subcontract. Travel costs will be reimbursed in accordance with

the Subcontractor's travel policy, subject, however, to the limitations of Federal Acquisition Regulation (FAR) 31.205-46.

14.4.1 Upon request, JPL will provide a written request that the Subcontractor personnel of JPL support-service Subcontractors be given the General Service Administration (GSA) lodging rates extended to cost-reimbursable Subcontractors. (See GSA web site: <http://policyworks.gov/org/main/mt/homepage/mtt/perdiem/travel.shtml>) However, non-availability of lodging at such rates is not authorization for reimbursement of travel costs in excess of the normal rates allowed pursuant to FAR 31.205-46, unless reimbursement on the "Higher Actual Cost Method" has been approved in accordance with FAR 31.205-46 (a)(3).

14.4.2 All travel must be authorized by JPL on a "Subcontractor Employee Travel Request and Authorization," form JPL 1168-S, before the travel is performed. The Subcontractor shall provide, with any invoice for travel, a copy of the "Subcontractor Employee Travel Request and Authorization" and a copy of the Subcontractor's employee travel report. Payment of travel costs based on the "Higher Actual Cost Method" requires that a copy of the written justification, as required by FAR, approved by an officer of the Subcontractor's organization or designee, be provided with any invoice for such travel.

#### 14.5 Subcontract Work Order - Limitation of Obligation

In addition to the provisions of general provision of this Subcontract entitled "Limitation Of Cost" or "Limitation of Funds" (whichever is applicable), the following provisions shall apply to each SWO issued under this Subcontract.

14.5.1 The Institute shall not be obligated to pay the Subcontractor any amount in excess of the estimated expenditure set forth on each SWO and the Subcontractor shall not be obligated to continue performance of the work described in such SWO or to otherwise incur costs in excess of such estimated expenditure, unless and until JPL shall have issued a written SWO Supplement increasing such estimated expenditure.

14.5.2 If at any time the Subcontractor has reason to believe that the costs for performance of work described in a SWO will exceed the estimated expenditure of such SWO, it shall immediately notify the cognizant JPL Subcontract Manager to that effect, giving its revised estimates of the total cost to perform the work. Such notification may first be given orally, but shall be confirmed in writing if JPL requests written confirmation thereof.

#### 14.6 Holidays

Subcontractor personnel assigned to this effort at the Subcontractor facilities, JPL, and JPL-controlled facilities shall observe the same holidays as observed by JPL employees as shown in Exhibit 6, entitled JET PROPULSION LABORATORY FIVE-YEAR FISCAL CALENDAR, which is attached hereto and made a part of this Subcontract. When special holidays are proclaimed by Executive Order and JPL employees are excused from work, all Subcontractor employees except those engaged in critical operations shall also be excused. Special circumstances (i.e., natural disasters) will be handled on a case-by-case basis as agreed to by the JPL CTM, JPL Subcontracts Manager and the Subcontract's Operations Manager.

#### 14.7 Work Shifts

Subcontractor employees shall adhere to the same work shifts as JPL employees; specifically 7:30 a.m. - 4:15 p.m. or 8:00 a.m. - 4:45 p.m., with 45 minutes for lunchtime unless specific notice of a deviation is approved by JPL. The Subcontract's Operations Manager shall be responsible for adherence to this policy by all Subcontractor personnel employed under this Subcontract.

### ARTICLE 4. OPTION PROVISION

- 1.0 The Subcontractor hereby grants to JPL the option(s) to unilaterally extend the period of performance of this Subcontract for up to an additional four (4) years in increments as determined by JPL. However, the total duration of this Subcontract, including the exercise of any options under this clause, shall not exceed the ending date of the current NASA/Caltech Prime Subcontract.
- 2.0 JPL will give preliminary written notice of the intent to exercise an option one hundred twenty (120) days before this Subcontract is to expire. Such a written notice will not be deemed to commit JPL to exercise the option. JPL may exercise an option by issuance of a Subcontract modification before the expiration of the term of this Subcontract.



## ARTICLE 5. SPECIAL PROVISIONS

- 1.0 Limitations on Subcontracting shall apply to this Subcontract, which was awarded as a result of a Small Business set-aside. The Subcontractor agrees that in performance of the Subcontract, at least fifty-one percent (51%) of the cost of Subcontractor performance incurred for personnel shall be expended for employees of the Subcontractor.
- 2.0 The Subcontractor shall maintain an office facility within ten (10) miles of JPL's Oak Grove facility to accommodate all the personnel required under this Subcontract. The facility shall have one conference room large enough to accommodate fifteen (15) people.
- 3.0 Subcontractor shall supply equipment to this Subcontract as specified in Exhibit 7 entitled, "Subcontractor Supplied Property At The Facility." Items so provided shall not be considered "Government-Furnished Property" and will be issued by the Subcontractor to individual Subcontractor employees.
- 4.0 Assignment, Novation and Transfer  
This subcontract or purchase order may be assigned, novated, or transferred to a successor-in-interest, a successor contractor to operate the Jet Propulsion Laboratory, or the Government.
- 5.0 Conduct and Separation  
All Subcontractor personnel working in-residence at a JPL facility will be expected to conduct themselves in accordance with JPL standards of conduct, as described in "Standards of Conduct and Procedures for Handling Subcontractor Personnel Problems, Discipline, and Separation," form JPL 4412, which is incorporated into this Subcontract. The Subcontractor shall be responsible for ensuring that its personnel perform their JPL work assignments and conduct themselves in a manner acceptable to JPL. JPL may require the Subcontractor to separate any Subcontractor personnel from a JPL work assignment at any time for any lawful reason. In the event of such separation, the Subcontractor shall have the responsibility for reassigning or terminating such Subcontractor personnel.
- 6.0 JPL Subcontractor Safety and Health Notification.  
Subcontractor has signed and acknowledged receipt of a copy of "JPL Subcontractor Safety and Health Notification," form JPL 2885 (identifying applicable required documentation, safety requirements, emergency handling procedures, etc.), which is hereby made a material part of this Subcontract. The costs associated with compliance with all applicable requirements as identified on form JPL 2885 are included in the Subcontract pricing, and therefore, Subcontractor compliance with such requirements shall not entitle the Subcontractor to an equitable adjustment under the General Provisions of the Subcontract entitled "Safety and Health," and "Changes," or under any other provision of this Subcontract.

## 7.0 Key Personnel and Facilities

The personnel and/or facilities, if any, specified below in paragraph (\*) are considered essential to the work being performed hereunder. Prior to removing, replacing, or diverting any of the specified individuals or facilities, the Contractor shall notify JPL reasonably in advance and shall submit justification (including proposed substitutions) in sufficient detail to permit evaluation of the impact on this Subcontract. No diversion shall be made by the Subcontractor without the written consent of JPL; provided, that JPL may ratify in writing the change, and such ratification shall constitute the consent of JPL required by this Article. Paragraph (\*) below may, with the consent of the Subcontracting parties, be amended from time to time during the course of the Subcontract to either add or delete personnel and/or facilities, as appropriate.

The following Subcontractor personnel shall be considered Key Personnel under this Subcontract: **Operations Manager – TBD**

## 8.0 Overtime Requirements

Subcontractor personnel assigned to this Subcontract shall be reimbursed by the Subcontractor for overtime in accordance with applicable State/Federal Laws and Regulations.

JPL shall only reimburse the Subcontractor at the employee straight time rates unless pursuant to applicable State or Federal Law(s), Regulations or Wage Orders (including, but not limited to the Service Contract Act, the Fair Labor Standards Act and California IWC Wage Orders) the Subcontractor is required to pay its employee(s) at higher (time-and-one-half or double time) rates. Additionally, JPL reimbursement of the Subcontractor for any such overtime remains strictly subject to the limits stated in the three paragraphs immediately below. Nothing in this paragraph or in the three paragraphs immediately below is intended to change the Subcontractor's obligations to pay its personnel assigned to this Subcontract overtime under the paragraph immediately above, and State and Federal Laws, Regulations and Wage Orders.

Only overtime authorized by JPL in either an initial or supplemental SWO is payable by JPL.

Only time actually worked on this Subcontract shall be considered as time worked for computing overtime reimbursable to the Subcontractor by JPL.

Profit dollars reimbursable for overtime work shall not exceed the profit dollars reimbursable for straight-time work.

## 9.0 Personnel Processing

Subcontractor personnel shall report to the JPL Security Group Office for (i) check-in processing before commencing work and (ii) check-out processing when terminating. Separation checkout will include the return of all Government property and badges, documents, and tools, which may have been provided by JPL during each individual's performance under this Subcontract.

10.0 Reimbursable Hours

Subcontractors are reimbursed only for the specific hours worked by their personnel, which have been authorized by JPL in accordance with corresponding Subcontract terms. Subcontractors are not reimbursed for any scheduled time not worked due to their personnel being directed by JPL to leave, or not report to, their JPL workstations when JPL deems it to be unsafe or useless to work at their JPL workstations due to earthquake, fire, civil disturbance, hazardous materials (HAZMAT) incident, power outage, or other situations.

11.0 The Subcontractor shall be responsible for obtaining and returning to JPL any JPL Subcontractor Badge not turned into JPL by terminating Subcontractor personnel.

12.0 As a condition for working at JPL, all Subcontractor personnel shall be required to agree not to pursue any business matters for the purpose of private gain while working at a JPL specified location. Such business matters shall include, but not necessarily be limited to, contacting JPL or Subcontractor personnel for purposes of:

12.1 Increasing or extending the effort under the Subcontract, or

12.2 Creating new or additional business.

Failure to agree or comply with this condition shall cause the Subcontractor personnel to not be allowed to work at JPL.

13.0 The Subcontractor agrees that it will indemnify and hold harmless the Institute against any loss, cost or damage, sustained by reason of any act of fraud, dishonesty, forgery, embezzlement, wrongful abstraction or misapplication of money, securities, negotiable instruments, and other personal property, and/or any other unlawful act committed by an officer, employee or agent of the Subcontractor while assigned to perform duties in furtherance of work under this Subcontract.

14.0 The Subcontractor must furnish to the JPL Subcontracts Manager prior to commencement of work under the Subcontract, all insurance certificates required by the General Provisions of this Subcontract. The policies evidencing required insurance shall be issued by an insurance company authorized and doing business in the State of California and must be endorsed to specify the California Institute of Technology as an additional named insured. The certificates furnished by the Subcontractor must reflect the fact that these requirements have been met, and a copy of the endorsement should be attached to the certificates.

15.0 The Subcontractor shall comply with any copyright and limitation of liability notices and any restricted rights legends affixed to any software provided by JPL in the performance of this Subcontract effort. From time to time JPL may provide the Subcontractor with software, which may require the execution of a separate license agreement between the Institute and the Subcontractor. The latter software will be identified through the SWO issuance process.

16.0 The Subcontractor's Operations Manager, or his or her designee, shall approve all time worked for all their personnel.

17.0 Foreign National Access to JPL Material or JPL's Internal Web Space

The Subcontractor shall not allow access by any Foreign National to JPL material, which reveals technology, financial information, or business strategy information, and to JPL internal Web Space in performance of this Subcontract without express approval by JPL Administrative Security and the JPL International and Legislative Affairs Office through the JPL Negotiator.

The Subcontractor must ensure that any forms required for National Agency Checks are completed by Foreign Nationals who are to perform work under this Subcontract as requested by JPL in order to determine eligibility for access to sensitive material.

#### 18.0 Training of Subcontractor Personnel

- 18.1 Assigned Subcontractor personnel are expected to already possess the skills appropriate to the work assignment. The Subcontractor shall certify that the assigned Subcontractor personnel possess the skills appropriate to the JPL work assignment.
- 18.2 Subcontractor personnel whose assignments are at JPL shall, in addition to such training as is provided by the Subcontractor, be trained (1) to meet special JPL standards of qualification, (2) to apply JPL-specific methods of performance, and (3) to otherwise accomplish the specific JPL work assignments in an efficient manner. The Subcontractor's Operations Manager and the designated JPL representative shall agree on the applicable JPL policies, processes, procedures, practices, and manuals which are applicable to the assignment of each Subcontractor personnel and specify the same on a JPL tracking training form to be executed by the designated JPL representative and the Subcontractor's Operations Manager. The Subcontractor shall use the "Subcontractor Personnel Training Tracking (CPTT)" form attached as Exhibit No. 15 for this purpose. The training tracking form will also evidence the assigned Subcontractor's personnel training in the applicable JPL policies, procedures, practices, and manuals. The original training tracking form and training certifications (evidencing the completion of training in the applicable policies, procedures, practices, and manuals) will be retained by the Subcontractor in such a way that it is readily retrievable for review. The Subcontractor shall also provide a copy of such training tracking form and training certifications to each Subcontractor personnel for retention.
- 18.3 The Subcontractor shall retain such training tracking forms and training certificates for the duration of the Subcontract. In the event that any or all Subcontractor personnel change employment and such successor employer provides the services of the same individual to JPL, then the Subcontractor shall provide copies of the applicable training tracking forms and training certificates to the successor employer in order that such successor employer can support JPL's training program.
- 18.4 The Subcontractor shall deliver copies of the training tracking forms and training certificates to the cognizant JPL negotiator within 30 days of the completion of

this Subcontract. This provision shall not apply in such event that a successor employer has received assigned Subcontractor personnel's forms pursuant to paragraph 15.3 above.

- 18.5 The JPL training subject to the CPTT form shall be limited to that required to meet special JPL standards of qualification, to apply JPL-specific methods of performance, or to otherwise accomplish the specific JPL work assignment in an efficient manner. Such training shall be limited to that required to accomplish the current work assignment only and shall not be for the purpose of qualifying the individual for career advancement. "Continuing education and general career training in the Subcontractor personnel's chosen profession are not within the scope of the CPTT form because assigned Subcontractor personnel are expected to possess such skills prior to their work assignment.
- 18.6 The Subcontractor shall train all Subcontractor personnel regarding all applicable federal, state, and local safety and health standards.
- 19.0 The Subcontractor agrees that the Subcontractor-paid benefits, to be provided to direct-charge employees working under this Subcontract, shall be comparable to or greater than those specified in the Subcontractor's proposal dated \*\*. Those portions of the Subcontractor's proposal related to such benefits are hereby incorporated by reference and made a material part of this Subcontract.
- 20.0 Patent Agreement

The Subcontractor agrees to:

Deliver to JPL without delay, and as a prerequisite to performance of any work by all Subcontractor personnel involved, a "Patent Agreement," form JPL 1929, appended hereto, executed by all Subcontractor personnel, except those in clerical categories, who are expected to perform work pursuant to this Subcontract; and

Notify JPL without delay and prior to the performance of any work by all Subcontractor personnel, of the refusal of anyone designated or approved by JPL to perform work pursuant to this Subcontract, to execute the Patent Agreement, form JPL 1929.

The Subcontractor hereby waives, releases and relinquishes to JPL all right, title and interest to which it may be entitled by Subcontract or under any applicable laws, in any reportable invention, discovery, innovation, improvement, or other matter reportable to the Institute pursuant to a Patent Agreement executed in accordance with this Subcontract.

IN WITNESS WHEREOF, the parties hereto have executed this Subcontract as of the day and year first above written.

CALIFORNIA INSTITUTE OF TECHNOLOGY

**CALIFORNIA INSTITUTE OF TECHNOLOGY**

By

**{TYPE NAME OF ACQUISITION REP HERE}**

\_\_\_\_\_  
(Title)

**{TYPE NAME OF SUBCONTRACTOR HERE}**

By

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Typed Name)

\_\_\_\_\_  
(Title)

Instructions to Subcontractor: Do not insert date on Preamble page.